Written Testimony of James S. Schneider
On behalf of Kimberly-Clark Corporation
Attachment 3: Proposed Amendment to Raised Bill No. 6532

AN ACT CONCERNING CERTIFICATION OF CLASS I AND CLASS II RENEWABLE ENERGY SOURCES AND CLASS III SOURCES, RENEWABLE ENERGY CREDITS AND ALTERNATIVE COMPLIANCE PAYMENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subdivision (44) of subsection (a) of section 16-1 of the general statutes is repealed and the following is substituted in lieu thereof (Effective January 1, 2014):

(44) (A) "Class III source" means the electricity output from combined heat and power systems with an operating efficiency level of no less than fifty per cent that are part of customer-side distributed resources developed at commercial and industrial facilities in this state on or after January 1, 2006, or a waste heat recovery system installed on or after April 1, 2007, that produces electrical or thermal energy by capturing preexisting waste heat or pressure from industrial or commercial processes[, or the electricity savings created in this state from conservation and load management programs begun on or after January 1, 2006];

(B) "Class IIIA source" means the electricity savings created in this state from conservation and load management programs begun on or after January 1, 2006;

Sec.[tion] [1] 2. (NEW) **[(Effective October 1, 2013)] (Effective January 1, 2014)** (a) The owner of a facility or conservation and load management program may file with the Public Utilities Regulatory Authority an application for a certificate of eligibility to certify that such facility or program qualifies as a Class I or Class II renewable energy source, as defined in section 16-1 of the general statutes, or a Class III **or Class IIIA** source, as defined in section 16-1 of the general statutes. The authority shall not accept such application unless such facility or program is operational. An application shall (1) be made on forms prescribed by the authority, (2) contain such information, exhibits and supporting data as the authority may prescribe, and (3) be accompanied by a nonrefundable application fee of five hundred dollars.

(b) If the authority finds that a facility or conservation and load management program described in such application meets the definition of a Class I or Class II renewable energy source or a Class III **or Class IIIA** source, the authority may issue a certificate of eligibility. Such certificate shall identify (1) the class for which such facility or program is eligible, (2) the date on which such facility or program may begin to receive renewable energy certificates, (3) the location of such facility or program, and (4) the source of energy used by such facility. A certificate of eligibility issued by the authority for a Class I or Class II renewable energy source **or a Class III source** shall remain in effect as long as the respective statutory requirements for such source and all conditions specified in the application for certification are met. A certificate of eligibility issued by the authority for a Class **IIIA [III]** source shall remain in effect for the duration of the

conservation and load management program as approved by the authority, so long as the statutory requirements for such **[source]** **program**, the conditions specified in the application for certification and any other conditions imposed by the authority on such program are met.

(c) A certificate of eligibility issued pursuant to this section shall not be transferable or assignable.

(d) To retain a certificate of eligibility, the owner of a facility or conservation and load management program shall provide satisfactory evidence to the authority that (1) such facility or program remains a Class I or Class II renewable energy source or a Class III **or Class IIIA** source in accordance with section 16-243t of the general statutes, as amended by this act, (2) such owner maintains accurate records, including, but not limited to, generation of such facility, allocation and transaction of renewable energy credits, third-party verification of audits and any applicable Federal Energy Regulatory Commission documentation, and (3) such owner informs the authority of any change to any information provided in the application filed pursuant to subsection (a) of this section within ten days of such change.

(e) The authority may (1) at any time and without prior notice, perform a physical inspection or audit the books and records of a facility or conservation and load management program issued a certificate of eligibility pursuant to this section, (2) conduct investigations and hold hearings on any matter subject to the provisions of this section, and (3) issue subpoenas, administer oaths, compel testimony and order the production of books, records and documents in connection with such investigations. If any person refuses to appear, to testify or to produce any book, record or document when so ordered, upon application of the authority or the Attorney General, a judge of the Superior Court may make such order as may be appropriate to aid in the enforcement of this section. The Attorney General, at the request of the authority, may apply in the name of the state of Connecticut to the Superior Court for an order temporarily or permanently restraining and enjoining any person from violating any provision of this section.

(f) A certificate of eligibility issued pursuant to this section may be suspended or revoked by the authority, if the authority finds that the owner of a facility or conservation and load management program fails to provide satisfactory evidence to the authority that (1) such facility or program meets the definition of a Class I or Class II renewable energy source or a Class III **or Class IIIA** source, (2) such owner complies with any term or condition imposed by the authority on any applicable conservation and load management program, (3) such owner satisfies any condition or requirement contained in the application submitted pursuant to subsection (a) of this section or complies with any regulations adopted pursuant to this section, (4) such owner provides true and accurate information or evidence in such application, (5) such owner notifies the authority within ten days of any change to any information provided in such application, or (6) such owner provides complete access to the authority, or the authority's designee, for an inspection of the facility **or program,** or an audit of books and records of the facility or program. The authority may prohibit a facility or conservation and load management program or the owner of any such facility or program from reapplying for a certificate of eligibility if the authority finds that such facility or program or the owner of any such facility or program knowingly engaged in fraud or material deception or knowingly made false, misleading or deceptive representations in order to obtain a certificate of eligibility or to earn and transact renewable energy credits.

(g) The authority may adopt regulations, in accordance with chapter 54 of the general statutes, necessary to carry out the purposes of this section and section **3 [2]** of this act.

Sec. **3 [2].** (NEW) **[(Effective October 1, 2013)] (Effective January 1, 2014)** (a) The owner of a facility or conservation and load management program who does not hold a valid certificate of eligibility issued pursuant to section **2 [1]** of this act shall be prohibited from earning or selling renewable energy credits to any entity for compliance with the renewable portfolio standards established in sections 16-243q and 16-245a of the general statutes, as amended by this act.

(b) No person shall (1) submit or attempt to submit an application for a certificate of eligibility for a facility or conservation and load management program that such person does not own, (2) knowingly give false evidence to the Public Utilities Regulatory Authority for the purpose of procuring a certificate of eligibility, (3) knowingly use or attempt to use a certificate of eligibility which has been suspended or revoked, (4) knowingly obtain or attempt to obtain or otherwise transact renewable energy credits for the periods in which such facility or program fails to meet the definition of a Class I or Class II renewable energy source, as defined in section 16-1 of the general statutes, or a Class III **or Class IIIA** source, as defined in section 16-1 of the general statutes, or the conditions of an applicable conservation and load management program, or (5) falsely pretend in any manner that the facility qualifies as a Class I or Class II renewable energy source or Class III **or Class IIIA** source.

(c) Any facility or conservation and load management program and the owner of any such facility or program that (1) obtains or sells any renewable energy credits for the period of time in which the facility or program fails to meet the requirements of a Class I or Class II renewable energy source or a Class III **or Class IIIA** source or comply with any conditions of any applicable conservation and load management program, (2) provides false and inaccurate information to the authority for the purpose of procuring a certificate of eligibility, or (3) violates any condition contained in the application for eligibility or any regulations adopted pursuant to section **2 [1]** of this act, shall be subject to civil penalties by the authority in accordance with section 16-41 of the general statutes.

(d) In addition to any civil penalty imposed by the authority pursuant to subsection (c) of this section, the authority shall require any facility or conservation and load management program or the owner of such facility or program that earned and transacted renewable energy credits while such facility or program did not meet the respective requirements of such Class I or Class II renewable energy source or such Class III **or Class IIIA** source approved by the authority, to pay a penalty in an amount equal to the total of alternative payments required of any electric supplier or electric distribution company that bought the noneligible facility renewable energy credits pursuant to subsections (b) and (d) of section 16-243q of the general statutes, as amended by this act, and subsection (k) of section 16-245 of the general statutes, as amended by this act. Any such penalty collected pursuant to this subsection shall be used to reimburse any electric supplier or electric distribution company that purchased and used the renewable energy credits sold by the noneligible facility to comply with the renewable energy portfolio standards established in sections 16-243q and 16-245a of the general statutes, as amended by this act.

(e) A violation of any of the provisions of this section or section **2 [1]** of this act shall be deemed an unfair or deceptive trade practice pursuant to section 42-110b of the general statutes.

(f) Nothing in this section or section **2 [1]** of this act shall be construed to prevent any person or entity from pursuing any other action or remedy at law or equity that it may have against the owner of a Class I or Class II renewable energy source or Class III **or Class IIIA** source.

Sec. **4 [3]. [Subsection (b) of section] Section** 16-243t of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

Class III and Class IIIA credits. (a) Notwithstanding the provisions of this title, a customer who implements [energy conservation or] customer-side distributed resources, as defined in section 16-1, on or after January 1, 2008, shall be eligible for Class III credits, pursuant to section 16-243q, as amended by this act. The Class III credit shall be not less than one cent per kilowatt hour.

(b) Notwithstanding the provisions of this title, a customer who implements a conservation and load management program, as defined section 16-1, on or after January 1, 2014 shall be eligible for Class IIIA credits, pursuant to section 16-245a. For nonresidential projects receiving conservation and load management funding, twenty-five per cent of the financial value derived from the credits earned pursuant to this section shall be directed to the customer who implements energy conservation or customer-side distribution resources pursuant to this section with the remainder of the financial value directed to the Conservation and Load Management Funds. For nonresidential projects not receiving conservation and load management funding submitted on or after March 9, 2007, seventy-five per cent of the financial value derived from the credits earned pursuant to this section shall be directed to the customer who implements energy conservation or customer-side distribution resources pursuant to this section with the remainder of the financial value directed to the Conservation and Load Management Funds. Not later than July 1, 2007, the Public Utilities Regulatory Authority shall initiate a contested case proceeding in accordance with the provisions of chapter 54, to implement the provisions of this section.

(c) [(b)] In order to be eligible for ongoing Class III **or Class IIIA** credits, the customer shall file an application that contains information necessary for the authority to determine that the resource qualifies for Class III **or Class IIIA** status, in addition to the requirements set forth in section **2 [1]** of this act. Such application shall (1) certify that installation and metering requirements have been met where appropriate, (2) provide a detailed energy savings or energy output calculation for such time period as specified by the authority, and (3) include any other information that the authority deems appropriate.

(d) [(c)] For conservation and load management projects that serve residential customers, seventy-five per cent of the financial value derived from the credits shall be directed to the Conservation and Load Management Funds.

Sec. 5. Subsection (a) of section 16-243q of the general statutes is repealed and the following is substituted in lieu thereof (January 1, 2014):

Class III and IIIA renewable energy portfolio standards. On and after January 1, 2007, each electric distribution company providing standard service pursuant to section 16-244c and each electric supplier as defined in section 16-1 shall demonstrate to the satisfaction of the Public Utilities Regulatory Authority that not less than one per cent of the total output of such supplier or such standard service of an electric distribution company shall be obtained from Class III sources. On and after January 1, 2008, not less than two per cent of the total output of any such supplier or such standard service of an electric distribution company shall, on demonstration satisfactory to the Public Utilities Regulatory Authority, be obtained from Class III sources. On or after January 1, 2009, not less than three per cent of the total output of any such supplier or such standard service of an electric distribution company shall, on demonstration satisfactory to the Public Utilities Regulatory Authority, be obtained from Class III sources. On and after January 1, 2010, not less than four per cent of the total output of any such supplier or such standard service of an electric distribution company shall, on demonstration satisfactory to the Public Utilities Regulatory Authority, be obtained from Class III sources. On or after January 1, 2014, not less than one per cent of the total output of any such supplier or such standard service of an electric distribution company shall, on demonstration satisfactory to the Public Utilities Regulatory Authority, be obtained from Class IIIA sources. Electric power obtained from customer-side distributed resources that does not meet air and water quality standards of the Department of Energy and Environmental Protection is not eligible for purposes of meeting the percentage standards in this section.

Sec. **6 [4].** Subsection (b) of section 16-243q of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(b) Except as provided in subsection (d) of this section, the Public Utilities Regulatory Authority shall assess each electric supplier and each electric distribution company that fails to meet the **Class III and Class IIIA** percentage standards of subsection (a) of this section a charge of up to [five and five-tenths] three and one-tenth cents for each kilowatt hour of electricity that such supplier or company is deficient in meeting such percentage standards. Seventy-five per cent of such assessed charges shall be deposited in the Energy Conservation and Load Management Fund established in section 16-245m, and twenty-five per cent shall be deposited in the Clean Energy Fund established in section 16-245n, except that such seventy-five per cent of assessed charges with respect to an electric supplier shall be divided among the Energy Conservation and Load Management Funds of electric distribution companies in proportion to the amount of electricity such electric supplier provides to end use customers in the state using the facilities of each electric distribution company.

Sec. **7 [5].** Subsection (d) of section 16-243q of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(d) An electric distribution company providing standard service may contract with its wholesale suppliers to comply with the conservation and customer-side distributed resources standards set

forth in subsection (a) of this section. The Public Utilities Regulatory Authority shall annually conduct a contested case, in accordance with the provisions of chapter 54, to determine whether the electric distribution company's wholesale suppliers met the conservation and distributed resources standards during the preceding year. Any such contract shall include a provision that requires such supplier to pay the electric distribution company in an amount of up to [five and one-half] three and one-tenth cents per kilowatt hour if the wholesale supplier fails to comply with the conservation and distributed resources standards during the subject annual period. The electric distribution company shall immediately transfer seventy-five per cent of any payment received from the wholesale supplier for the failure to meet the conservation and distributed resources standards to the Energy Conservation and Load Management Fund and twenty-five per cent to the Clean Energy Fund. Any payment made pursuant to this section shall not be considered revenue or income to the electric distribution company.

Sec. **8 [6].** Subdivision (1) of subsection (j) of section 16-244c of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(j) (1) Notwithstanding the provisions of subsection (d) of this section regarding an alternative transitional standard offer option or an alternative standard service option, an electric distribution company providing transitional standard offer service, standard service, supplier of last resort service or back-up electric generation service in accordance with this section shall contract with its wholesale suppliers to comply with the renewable portfolio standards. The Public Utilities Regulatory Authority shall annually conduct a contested case, in accordance with the provisions of chapter 54, in order to determine whether the electric distribution company's wholesale suppliers met the renewable portfolio standards during the preceding year. An electric distribution company shall include a provision in its contract with each wholesale supplier that requires the wholesale supplier to pay the electric distribution company an amount of [five and one-half] three and one-tenth cents per kilowatt hour if the wholesale supplier fails to comply with the renewable portfolio standards during the subject annual period. The electric distribution company shall promptly transfer any payment received from the wholesale supplier for the failure to meet the renewable portfolio standards to the Clean Energy Fund for the development of Class I renewable energy sources. Any payment made pursuant to this section shall not be considered revenue or income to the electric distribution company.

Sec. **9 [7].** Subsection (b) of section 16-244r of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(b) Solicitations conducted by the electric distribution company shall be for the purchase of renewable energy credits produced by eligible customer-sited generating projects over the duration of the long-term contract. For purposes of this section, a long-term contract is a contract for fifteen years. Such credits may be used to comply with the renewable portfolio standards established in section 16-245a, as amended by this act, in the year during which such credits are generated and the following two years.

Sec. **10 [8]**. Subsections (a) and (b) of section 16-244t of the general statutes are repealed and the following is substituted in lieu thereof (Effective from passage):

(a) Commencing on January 1, 2012, and within one hundred eighty days, each electric distribution company shall solicit and file with the Public Utilities Regulatory Authority for its approval one or more fifteen-year power purchase contracts with owners or developers of generation projects that are less than two megawatts in size, located on the customer side of the revenue meter, serve the distribution system of the electric distribution company, and use Class I technologies that have no emissions of no more than 0.07 pounds per megawatt-hour of nitrogen oxides, 0.10 pounds per megawatt-hour of carbon monoxide, 0.02 pounds per megawatt-hour of volatile organic compounds, and one grain per one hundred standard cubic feet. No generation project eligible for a long-term contract pursuant to section 16-244r, as amended by this act, shall be eligible for a fifteen-year power purchase contract under this section. The authority may give a preference to contracts for technologies manufactured, researched or developed in the state.

(b) Solicitations conducted by the electric distribution company shall be for the purchase of renewable energy credits produced by eligible customer-sited generating projects over the duration of the contract. Such credits may be used to comply with the renewable portfolio standards established in section 16-245a, as amended by this act, in the year during which such credits are generated and the following two years.

Sec. **11 [9].** Subsection (k) of section 16-245 of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(k) Any licensee who fails to comply with a license condition or who violates any provision of this section, except for the renewable portfolio standards contained in subsection (g) of this section, shall be subject to civil penalties by the Public Utilities Regulatory Authority in accordance with section 16-41, or the suspension or revocation of such license or a prohibition on accepting new customers following a hearing that is conducted as a contested case in accordance with chapter 54. Notwithstanding the provisions of subsection (d) of section 16-244c regarding an alternative transitional standard offer option or an alternative standard service option, the authority shall require a payment by a licensee that fails to comply with the renewable portfolio standards in accordance with subdivision (4) of subsection (g) of this section in the amount of [five and one-half] three and one-tenth cents per kilowatt hour. The authority shall allocate such payment to the Clean Energy Fund for the development of Class I renewable energy sources.

Sec. 12. Subsection (a) of section 16-245a of the general statutes is repealed and the following is substituted in lieu thereof (Effective January 1, 2014):

(a) An electric supplier and an electric distribution company providing standard service or supplier of last resort service, pursuant to section 16-244c, shall demonstrate:

(1) On and after January 1, 2006, not less than two per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(2) On and after January 1, 2007, not less than three and one-half per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(3) On and after January 1, 2008, not less than five per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(4) On and after January 1, 2009, not less than six per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(5) On and after January 1, 2010, not less than seven per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(6) On and after January 1, 2011, not less than eight per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(7) On and after January 1, 2012, not less than nine per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(8) On and after January 1, 2013, not less than ten per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(9) On and after January 1, 2014, not less than ten [eleven] per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(10) On and after January 1, 2015, not less than eleven [twelve] and one-half per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(11) On and after January 1, 2016, not less than thirteen [fourteen] per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(12) On and after January 1, 2017, not less than fourteen [fifteen] and one-half per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(13) On and after January 1, 2018, not less than sixteen [seventeen] per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(14) On and after January 1, 2019, not less than eighteen [nineteen] and one-half per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

(15) On and after January 1, 2020, not less than nineteen [twenty] per cent of the total output or services of any such electric supplier or electric distribution company shall be generated from Class I renewable energy sources and an additional three per cent of the total output or services shall be from Class I or Class II renewable energy sources;

Sec. **13 [10]**. Subsection (b) of section 16-245a of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(b) An electric supplier or electric distribution company may satisfy the requirements of this section (1) by purchasing certificates issued by the New England Power Pool Generation Information System, provided the certificates are for (A) energy produced by a generating unit using Class I or Class II renewable energy sources and the generating unit is located in the jurisdiction of the regional independent system operator, or (B) energy imported into the control area of the regional independent system operator pursuant to New England Power Pool Generation Information System Rule 2.7(c), as in effect on January 1, 2006; (2) for those renewable energy certificates under contract to serve end-use customers in the state on or before October 1, 2006, by participating in a renewable energy trading program within said jurisdictions as approved by the Public Utilities Regulatory Authority; [or] (3) by purchasing eligible renewable electricity and associated attributes from residential customers who are net producers; or (4) by purchasing renewable energy credits from a generating unit located in the state of New York, Pennsylvania, New Jersey, Maryland or Delaware, provided (A) such generating unit uses the equivalent of a Class I or Class II renewable energy source, and (B) the Public Utilities Regulatory Authority determines such state has a renewable portfolio standards program comparable to the renewable portfolio standards established in section 16-245a, as amended by this act.

Sec. **14 [11].** Subsection (e) of section 16-245a of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(e) (1) A**n** **electric** supplier or an electric distribution company may make up any deficiency within its renewable energy portfolio within the first three months of the succeeding calendar year or [as otherwise provided by generation information system operating rules approved by New England Power Pool or its successor to meet the generation source requirements of subsection (a) of this section for the previous year] use renewable energy credits not used for compliance with any state renewable portfolio standards program from the previous two compliance years.

(2) No such supplier or electric distribution company shall receive credit for the current calendar year for generation from Class I or Class II renewable energy sources pursuant to this section where such supplier or distribution company receives credit for the preceding calendar year pursuant to subdivision (1) of this subsection.

Sec. **15 [12]**. Subdivision (5) of subsection (f) of section 16-245o of the general statutes is repealed and the following is substituted in lieu thereof (Effective from passage):

(5) (A) Each electric supplier shall disclose to the Public Utilities Regulatory Authority in a standardized format [(A)] (i) the amount of additional renewable energy credits such supplier will purchase beyond required credits, [(B)] (ii) where such additional credits are being sourced from, and [(C)] (iii) the types of renewable energy sources that will be purchased. Each electric supplier shall only advertise renewable energy credits purchased beyond those required pursuant to section 16-245a, as amended by this act, and shall report to the authority the renewable energy sources of such credits and whenever the mix of such sources changes.

(B) Each market participant, including any generator, broker or person, that purchases or sells renewable energy credits certified in the state of Connecticut, shall disclose to the Public Utilities Regulatory Authority each month in a standardized format (i) the originating source of each such credit purchased or sold, (ii) the name and location of the purchaser or seller, (iii) the date of the transaction, and (iv) the purchase price of such credit.

This act shall take effect as follows and shall amend the following sections:

This act shall take effect as follows and shall amend the following sections:		
Section 1	*January 1, 2014*	16-1(a)(44)
Sec. 2	*January 1, 2014*	New section
Sec. 3	*January 1, 2014*	New section
Sec. 4	*from passage*	16-243t(b)
Sec. 5	*January 1, 2014*	16-243q(a)

Sec. 6	*from passage*	16-243q(b)
Sec. 7	*from passage*	16-243q(d)
Sec. 8	*from passage*	16-244c(j)(1)
Sec. 9	*from passage*	16-244r(b)
Sec. 10	*from passage*	16-244t(a) and (b)
Sec. 11	*from passage*	16-245(k)
Sec. 12	*January 1, 2014*	16-245a
Sec. 13	*from passage*	16-245a(b)
Sec. 14	*from passage*	16-245a(e)
Sec. 15	*from passage*	16-245o(f)(5)

Statement of Purpose:

To **establish a separate subclass Class IIIA for conservation and load management programs; to** create a certificate of eligibility for Class I and Class II renewable energy sources and Class III **and Class IIIA** sources, to provide civil penalties for earning or transacting renewable energy credits while a facility or source did not qualify as a Class I or Class II renewable energy source or Class III **or Class IIIA** source, to reduce alternative compliance payments, to extend the life of renewable energy credits, to prohibit projects eligible for long-term contracts for zero emission renewable energy credits from applying for power purchase contracts for low-emission renewable energy credits, and to increase transparency in buying and selling of renewable energy credits.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]